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Honorable Tommy Thompson Governor of Wisconsin Madison, Wisconsin 53707

Dear Governor Thompson:

The U.S. Environmental Protection Agency (U.S. EPA) is seeking the position of the State of Wisconsin on the possible listing of the Ashland/Northern States Power (NSP) Lakefront Site on the National Priorities List (NPL). In April of last year, U.S. EPA received a citizen's petition to assess the site and determine if it should be listed on the NPL. The Wisconsin Department of Natural Resources (WDNR) prepared a preliminary assessment, which showed enough evidence for EPA to proceed with a more rigorous evaluation using Superfund's Hazard Ranking System (HRS).

U.S. EPA is currently performing the HRS evaluation using the information provided by WDNR. Based upon our initial assessment, U.S. EPA believes the site poses a significant threat to public health or the environment. By this letter, U.S. EPA is seeking the concurrence of the State of Wisconsin on listing this site on the NPL. It is U.S. EPA policy to obtain State concurrence prior to listing a site on the NPL

Background '

The Ashland/NSP Lakefront Site is made up of several properties within the City of Ashland and includes about 10 acres of sediment in Chequamegon Bay. The properties comprising the site include the Northern States Power Company facility; the Wisconsin Central Limited Railroad corridor, Kreher Park, including the City's old wastewater treatment plant, and the contaminated sediments in Chequamegon Bay.

Over the past several years, a comprehensive environmental investigation has been undertaken at the site by both WDNR and NSP. These investigations have confirmed that soils, groundwater, sediments and surface waters in this area are contaminated with manufactured gas plant wastes, including polycyclic aromatic hydrocarbons (PAHs), volatile organic compounds (VOCs) and metals.

From the late 1880's until 1947 a manufactured gas plant operated on the property now owned by NSP. A ravine ran through the property, emptying out near the former shoreline to the north. The ravine was open at the start-up of gas production, but was filled with waste materials and soil by the early 1900's. Near the point where the ravine previously emptied into the bay exists a seep area where water and free product (oils and tars) discharge to the surface.

The area north of the NSP property is known as Kreher Park. The land on which the Park is located was created in the late 1800's and early 1900's by the placement of various fill materials into what, at the time, was Chequamegon Bay. Some of the fill material consisted of sawdust and other wood waste from a series of sawmills that operated on the site from the early 1880's through 1932. Kreher Park is owned by the City of Ashland and Wisconsin Central Limited Railroad and is used primarily for recreation. In this area the underlying fill material and groundwater are impacted by PAHs, VOCs and free product.

The contaminated sediments within Chequamegon Bay are located directly off shore and bounded to the east and west by historic docks. The dock structure to the west has been developed into a marina and to the east the dock is part of a boat landing owned by the City. Sediments in this area contain PAHs, VOCs and free product. The contamination exists mainly within the sediments, however, if the sediments become agitated (primarily during storm events) the oils and tars are released, causing a "slick" to form on the water.

There is also significant contamination, including the presence of free product, in the sand and gravel aquifer located beneath most of the site. Free product has been measured at a depth of at least 70 feet. There is also a plume of contaminated groundwater flowing north toward the Chequamegon Bay.

Human health and ecological risk assessments have been completed for the site. These assessments concluded that the PAHs in the sediments and in the area of the seep pose a public health hazard for persons that come in contact with the contamination. Recent fish sampling from the portion of the Bay where contamination is present revealed that the fish tissue had quantifiable levels of 6 different PAHs, but all at concentrations that were below a health concern.

Based on our preliminary review of the site information, we believe that the site poses a threat to public health and the environment. We are currently in the process of completing a detailed assessment of the existing data. The WDNR has requested that a Hazard Ranking System (HRS) scoring package be prepared to propose the site for inclusion on the NPL. U.S. EPA has maintained close communications with WDNR throughout the evaluation and development processes. To further coordinate with the State in the NPL listing decision process, we are soliciting written support from the State, that U.S. EPA proceed with the NPL listing process for the Ashland/Northern States Power Lakefront Site. We would appreciate your response within 30 days so that U.S. EPA may move forward expeditiously in listing this site.

U.S. EPA hopes to continue working closely with WDNR to ensure that our common goal of protecting public health and the environment is fully realized. Should you require additional information, please do not hesitate to contact me.

Sincerely,

/s/ original signed by
Francis X. Lyons
Francis X. Lyons
Regional Administrator

cc: George Meyer, Secretary, WDNR